



WORKFORCE OBSERVATIONS

State of Wisconsin
Department of Workforce Development
Office of Economic Advisors

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FOR MILWAUKEE/WOW COUNTIES
MILWAUKEE, WASHINGTON, OZAUKEE AND WAUKESHA COUNTIES

YEAR 2004 ENDS ON A CONTINUED GOOD NOTE FOR THE MILWAUKEE METRO AREA

Milwaukee County's unemployment rate was 5.0 percent in December, which was seven-tenths of a percentage point lower than November's final rate. It is typical to see this degree of reduction in the unemployment rate between these two months. The rate in December 2003 was 5.9 percent; considerably higher than currently. Milwaukee County has approximately 12,000 more employed and 4,400

fewer unemployed residents compared to December 2003.

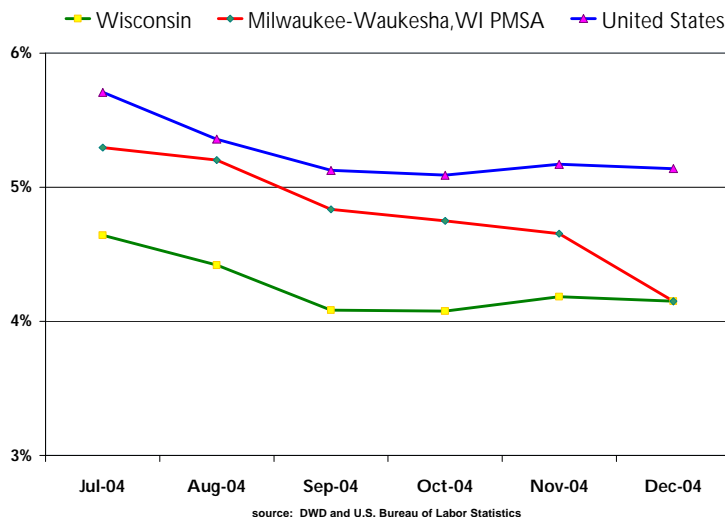
Washington County's labor force remained relatively unchanged over the month. In fact, it has remained very stable over the last four months. Its unemployment rate continued a rate of 3.5 percent in December. The annual comparison was not nearly as subdued as the monthly change as the

county's unemployment rate is almost a full percentage point lower than it was in December 2003. Washington County has about 1,700 more employed and 550 fewer unemployed residents compared to 12 months ago.

Ozaukee County's unemployment rate remained under three percent for the sixth consecutive month measuring 2.3 percent in December. For several months, Ozaukee has shown the metro area's most dramatic decrease in unemployment rate as it is currently 1.5 percentage point lower than it was in December 2003 representing 1,200 more employed and 700 fewer unemployed. Ozaukee's rate continues to be the second lowest in the state behind Dane County (2.1%).

Waukesha County's unemployment rate was 3.0 percent. It decreased slightly over the month by one-tenth of a percentage point. Like the three other metro counties, its rate is considerably lower than what it was a year ago, down

Six-Month Unemployment Rate Watch



Civilian Labor Force Estimates for Milwaukee-Waukesha MSA counties: December 2004

	Wisconsin			Milwaukee-Waukesha MSA			Milwaukee County		
	Dec-04	Nov-04	Dec-03	Dec-04	Nov-04	Dec-03	Dec-04	Nov-04	Dec-03
Labor force	3,092,171	3,112,894	3,065,115	830,535	836,144	817,584	490,236	494,889	482,643
Employed	2,963,830	2,982,624	2,915,293	796,073	797,235	775,560	465,939	466,619	453,933
Unemployed	128,341	130,270	149,822	34,462	38,909	42,024	24,297	28,270	28,710
% Unemployed	4.2%	4.2%	4.9%	4.1%	4.7%	5.1%	5.0%	5.7%	5.9%
	Washington County			Ozaukee County			Waukesha County		
	Dec-04	Nov-04	Dec-03	Dec-04	Nov-04	Dec-03	Dec-04	Nov-04	Dec-03
Labor force	70,904	70,987	69,692	49,231	49,413	48,690	220,165	220,854	216,559
Employed	68,391	68,491	66,629	48,109	48,179	46,869	213,634	213,945	208,129
Unemployed	2,513	2,496	3,063	1,122	1,234	1,821	6,531	6,909	8,430
% Unemployed	3.5%	3.5%	4.4%	2.3%	2.5%	3.7%	3.0%	3.1%	3.9%

Source: U.S. Bureau of Labor Statistics and DWD, Local Area Unemployment Statistics. Figures are not seasonally adjusted and current month's data are preliminary

Industry Employment Estimates for the Milwaukee-Waukesha MSA: December 2004

Place of Work Employment in 1,000's	Wisconsin			Milwaukee-Waukesha MSA		
	Dec. 2004	Change since Nov. 2004	Change since Dec. 2003	Dec. 2004	Change since Nov. 2004	Change since Dec. 2003
All Industries	2,857.1	-15.7	63.2	852.4	0.5	18.3
Construction/Natural Resources	127.9	-6.3	2.4	30.3	-2.6	-0.9
Manufacturing	516.8	-3.0	15.4	136.8	0.5	2.8
Retail Trade	342.2	1.0	8.7	86.4	1.5	1.8
Wholesale Trade	119.3	-0.2	6.2	41.9	-0.1	1.9
Transport/Warehouse/Utilities	109.9	-0.3	1.7	32.8	0.2	1.6
Financial Activities	163.7	1.0	3.6	61.7	0.0	-0.1
Education and Health Services	384.8	1.5	10.9	138.9	0.8	4.3
Leisure and Hospitality	240.6	-0.3	3.6	66.3	1.3	3.1
Info./Prof./Bus. and Other Services	438.3	-3.7	15.0	166.7	-0.4	6.9
Information	48.7	0.3	-0.8	19.5	0.0	0.3
Professional and Business Services	262.4	-3.5	18.1	108.0	-0.3	7.8
Other Services	127.2	-0.5	-2.3	39.2	-0.1	-1.2
Fed/State/Local Government	413.6	-5.4	-4.3	90.6	-0.7	-3.1

Source: U.S. Bureau of Labor Statistics and DWD, Current Employment Statistics. Figures are rounded and may not sum to total. Current month's figures are preliminary

by nine-tenths of a percentage point. Waukesha County is home to more than 5,500 more employed residents and 1,900 fewer unemployed.

The not seasonally adjusted unemployment rate in the **Milwaukee-Waukesha MSA** was 4.1 percent in December. This was the metro area's lowest unemployment rate of 2004, a year which in its entirety has shown marked improvement compared to 2003. December's rate dropped six-tenths since November, which is a larger than usual decrease. The metro area's labor force has over 20,500 more employed than it did a year ago coupled with almost 7,600 fewer unemployed. In turn, the unemployment rate is one percent point lower than in December 2003. December was the 12th month in a row that the metro area's unemployment rate was lower than the comparable month in 2003.

The tally of industry employment in the **Milwaukee-Waukesha MSA** was 852,400 jobs in December, which was a net gain of about 500 jobs since November. This overall gain was the result of employment gains and losses in various industry sectors and was the first November to December net job

gain since 1999. Industry sectors showing the greatest employment gain in December were retail trade (+1,500 jobs), leisure and hospitality (+1,300 jobs) and educational and health services (+800 jobs). Health services employment was chiefly responsible for the latter sector's monthly gain. The manufacturing sector gained 500 jobs.

Notable monthly employment losses were measured in construction (-2,600 jobs), government (-700 jobs), professional and business services (-300 jobs). The decrease in construction employment was a seasonal one, though it was a bit larger than usual. The drop in professional and business services employment was also typical for this month reflecting a seasonal decrease in the need for temporary workers. This sector's slight net employment loss actually includes a 700-job increase in one of its component industries; professional, scientific, and technical services.

The metro area has approximately 18,300 more jobs than it did in December 2003, which represents growth of about 2.2 percent. Most of the metro area's industry sector's have added employment compared to the same point

in 2003. Significant annual employment gains were measured in professional and business services (+7,800 jobs), educational and health services (+4,300 jobs), leisure and hospitality (+3,100 jobs) and manufacturing (+2,800 jobs). Professional and business services employment shows an eight percent gain compared to December 2003.

Industry sectors with notable annual employment losses are construction and total government. Construction's 900-job decrease represents a three percent decline. Total government employment's decrease of 3,100 jobs is a decline of 3.3 percent. Financial activities employment has 100 fewer jobs, which is its first annual decrease since July 2002, but it should be noted that this sector's employment is still at a high level in historic terms.

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